

NOTICE OF PROPOSED CHANGES IN REGULATIONS OF THE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

ITEM # Welfare-to-Work Employment Regulation Amendments (2017-2018 Legislative Cycle)

The California Department of Social Services (hereafter known as the Department) hereby gives notice of the proposed regulatory action(s) described below. Any person interested may present statements or arguments orally or in writing relevant to the proposed regulations at a public hearing to be held on September 3, 2019, at the following address:

Office Building # 8
744 P St. Room 105
Sacramento, California

The public hearing will convene at 10:00 a.m. and will remain open only if attendees are presenting testimony. The purpose of the hearing is to receive public testimony, not to engage in debate or discussion. The Department will adjourn the hearing immediately following the completion of testimony presentations. The above-referenced facility is accessible to persons with disabilities. If you need a language interpreter at the hearing (including sign language), please notify the Department at least two weeks prior to the hearing.

Statements or arguments relating to the proposals may also be submitted in writing, e-mail, or by facsimile to the address/number listed below. All comments must be received by 5:00 p.m. on September 3, 2019.

Following the public hearing the Department may thereafter adopt the proposals substantially as described below or may modify the proposals if the modifications are sufficiently related to the original text. Except for nonsubstantive, technical, or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption to all persons who testify or submit written comments during the public comment period, and all persons who request notification. Please address requests for regulations as modified to the agency representative identified below.

Copies of the express terms of the proposed regulations and the Initial Statement of Reasons are available from the office listed below. This notice, the Initial Statement of Reasons and the text of the proposed regulations are available on the internet at [CDSS Public Hearings for Proposed Regulations](http://www.cdss.ca.gov/inforesources/Letters-Regulations/Legislation-and-Regulations/CDSS-Regulation-Changes-In-Process-and-Completed-Regulations/Public-Hearing-Information) (<http://www.cdss.ca.gov/inforesources/Letters-Regulations/Legislation-and-Regulations/CDSS-Regulation-Changes-In-Process-and-Completed-Regulations/Public-Hearing-Information>). Additionally, all the information which the Department considered as the basis for these proposed regulations (i.e., rulemaking file) is available for public reading at the address listed below. Following the public hearing, copies of the Final Statement of Reasons will be available at the following address:

CONTACT: California Department of Social Services
 Office of Regulations Development
 744 P. Street, MS 8-4-192
 Sacramento, CA 95814
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CHAPTERS

CDSS Manual of Policies and Procedures, Eligibility and Assistance Standards Manual, Chapter 42-700 (Welfare-to-Work), Sections 42-701 (Introduction to Welfare-to-Work), 42-708 (Welfare-to-Work 24-Month Time Clock), 42-709 (CalWORKs Federal Standards), 42-711 (Welfare-to-Work Participation Requirements), 42-716 (Welfare-to-Work Activities), 42-750 (Supportive Services), and 42-751 (Underpayments and Overpayments for Transportation and Ancillary Support Services).

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

The California Work Opportunity and Responsibility to Kids (CalWORKs), Welfare-to-Work Program is the employment and training component of the CalWORKs Program which is funded, in part, by the federal Temporary Assistance for Needy Families (TANF) block grant. The TANF Program limits federally-funded cash aid to adult recipients to a total of five years. The intent of the Welfare-to-Work Program is to provide employment and training services to the maximum possible number of individuals within the adult CalWORKs population to aid them in achieving economic self-sufficiency within this timeframe.

These proposed regulatory amendments implement the following:

- Assembly Bill (AB) 480 (Chapter 690, statutes of 2017), amended Welfare and Institutions Code (WIC) section 11321.2 by adding a diaper supportive service of thirty dollars (\$30), per child under 36 months of age, each month, to welfare-to-work participants to assist with diaper costs.
- AB 818 (Chapter 141, Statutes of 2017), amended WIC section 11322.87 to allow welfare-to-work participants an extension of their 24-month time clock when they require additional time to complete an educational or treatment program that is presumed to increase the participant's likelihood of employment.
- AB 910 (Chapter 318, Statutes of 2017), added WIC section 11322.8 which specify that unless exempted, an adult participant in the CalWORKs program shall be required to participate in welfare-to-work activities. It also specifies that, unless exempt, a pregnant person shall participate for an average of 30 hours per week. A new assistance unit was created based on that information, "Adult in Pregnant Person Only Assistance Unit."
- AB 1604 (Chapter 303, Statutes of 2017), amended WIC section 11320.1(b)(2), which specifies that if an individual that does not possess a high school diploma or equivalent, such individual should be immediately assigned to a program intended to earn such diploma. It also added WIC section 11325.3(b) which specifies that if such individual does not desire to participate in an education program to earn a high school diploma or equivalent he or she may elect not to do so, but must make that election in writing on his or her welfare-to-work plan.
- AB 1811 (Chapter 35, Statutes of 2018) amended WIC section 11325.23, which added "study time provided for by an educational or training institution" to the list of allowable Self-Initiated Program components.

These proposed regulatory changes will benefit working CalWORKs participants who have children under 36 months of age and who are in need of diaper assistance. An unfulfilled need for diapers impacts the physical, mental, and economic well-being of children and parents. Many CalWORKs program participants with children under 36 months of age suffer from diaper

insecurity. This regulatory action will help alleviate that need. Also, these proposed regulatory changes will provide CalWORKs recipients with an opportunity to better their education. A society with higher educational attainment experiences positive outcomes such as decreased poverty and improved health and well-being.

The Department considered other possible related regulations in this area, and we found that these are the only regulations dealing in this subject area (CalWORKs welfare-to-work employment and training services), and therefore, the Department finds that these proposed regulations are compatible and consistent with the intent of the Legislature in adopting AB 480, AB 818, AB 910, AB 1604, and AB 1811, as well as with existing state regulations.

COST ESTIMATE

1. Costs or Savings to State Agencies: No fiscal impact.
2. Costs to Local Agencies or School Districts Which Must Be Reimbursed in Accordance With Government Code Sections 17500 - 17630: N/A
3. Nondiscretionary Costs or Savings to Local Agencies: No fiscal impact.
4. Federal Funding to State Agencies: No fiscal impact.

LOCAL MANDATE STATEMENT

These regulations do impose a mandate upon local agencies, but not on school districts. There are state mandated local costs that require reimbursement, which is provided in the Budget Act to cover any costs that local agencies may incur.

STATEMENT OF SIGNIFICANT ADVERSE ECONOMIC IMPACT ON BUSINESS

The Department has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This determination was made based on the fact that these regulations only apply to a small group of the CalWORKs program participants, who are a comparatively small part of the statewide population.

STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

The Department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

SMALL BUSINESS IMPACT STATEMENT

The Department has determined that there is no impact on small businesses as a result of filing these regulations because these regulations are only applicable to state and county agencies.

STATEMENT OF RESULTS OF ECONOMIC IMPACT ASSESSMENT

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California. The benefits of the regulatory action to the health and welfare of California residents, worker safety, and the state's environment are as follows:

The proposed regulations to implement AB 480 will benefit the welfare of California residents. The proposed regulations will provide relief to participants in the CalWORKs program by preventing diaper insecurity to children 36 months of age and younger, which will allow program participants to participate in program activities that lead to self-sufficiency.

The proposed regulations to implement AB 818, AB 1604, and AB 1811, Section 18, will benefit the welfare of California residents in that, collectively, a society with higher educational attainment, which these bills seek to promote, experiences positive outcomes by way of decreased poverty and, in correlation to decreased poverty, improved health and well-being.

The proposed regulations to implement AB 910 will benefit the welfare of California residents in that pregnant persons will receive aid by participating in federally-required activities (existing) or more flexible activities with a lower weekly participation requirement during pregnancy. This lower weekly participation requirement for pregnant persons is expected to result in improved health outcomes for the parent and their child(ren).

STATEMENT OF EFFECT ON HOUSING COSTS

The proposed regulatory action will have no effect on housing costs.

STATEMENT OF ALTERNATIVES CONSIDERED

The Department determined that due to the nature of these regulatory changes, a consideration of alternatives to regulatory amendments was not warranted as each regulatory change is responsive to mandatory regulatory amendments included in the respective legislation passed in the 2017-2018 legislative session.

The Department must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of the Department would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

AUTHORITY AND REFERENCE CITATIONS

The CDSS adopts these regulations under the authority granted in Sections 10553, 10554 and 10604 of the Welfare and Institutions Code. Subject regulations implement and make specific Sections 11320.1, 11322.8, 11322.87, 11323.2, 11325.23, and 11325.3, Welfare and Institutions Code

CDSS REPRESENTATIVE REGARDING THE RULEMAKING PROCESS OF THE PROPOSED REGULATION

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